**Insead resorts to the law**

The school is to contribute its business knowledge to an LLM programme, write Della Bradshaw and Charlotte Clarke

"Indeed, one of the world's leading business schools, is dipping its toe in foreign waters. From 2011 it will provide business knowledge to a masters law degree to be taught under the leadership of Paris 2-Fondation Assas, the Sorbonne law school."

The plan is for the nine-month LLM programme to be taught in English in both Paris and Singapore. Insead's contribution will be in leadership and globalization, says Hubert Gaymard, Insead marketing professor.

The proposed LLM is part of a larger project dubbed the Sorbonne University International Law School, which will combine the strengths of Insead's top law school and a global business school, says Louis Vogel, president of Paris 2-Fondation Assas.

Professor Vogel says the aim of the school is to equip France with the top legal talent that will go on to become chief financial officers or managing partners of top companies. Insead, in return, will see the quality of its students increase.

"The classics in the law school are the legal specialists who understand the current international standards, unlike the courses on offer for the time being in France.," says Professor Vogel.

Although Insead is not the first business school to offer a law degree, it is certainly one of the most prominent. From competition to specialization and regulation to intellectual property, the boundaries between business and law are blurring and the result is an increasing number of masters-level LLM degrees with a business and legal expertise.

"The LLM is going to be more like the MBA in the global market," says Jose de Arrieta, dean of Law School In Riga, France, which is looking at offering business law degrees.

The past few years have seen a real growth in LLM degrees specialized in business. Duke University in North Carolina has an LLM in Law and Entrepreneurship and the American University Washington College of Law has a joint LLM and MBA programme, but the latter is offered at the American University's Kogod school of business. Participants on the joint degree course have an LLM and an MBA in a shorter period than if they had studied the terms separately.

The nascent LLM market is increasing in importance. The degree is increasingly seen as being of choice for corporate lawyers. The 2010 Financial Times ranking of LLM programmes includes 46 schools, the most from the 2008 ranking. Of the 12 schools in the ranking for 2009, 30 reported a rise in student numbers this year. In particular, 21 of them reported an increase in the number of nationalities represented in their programmes.

The Sorbonne is not the only university in France to identify the need to bring together law and business. In the east of the country is the University of Lyon 2 (Lyon Marseilles) which has joined with EMLyon, a business school noted for its focus on entrepreneurship, to offer students at the university the opportunity to get two masters degrees. Students taking the option, which will begin in January, will study for a year at EMLyon and then work overseas for six months. They will then take courses for a further three years at the two institutions, graduating with an EMLyon EMLyon degree in Management (Grande Ecole programme) and a Master in Business Law, the equivalent of an LLM.

Patrice Houdayer, vice-president of graduate programmes at EMLyon, says the market for these pre-experience degree graduates is huge. "Both law firms and companies are constantly expressing their will to hire lawyers that not only master the legal science but are also able to understand the strategic issues of the business world," he says.

Both the Sorbonne degree and the double degree in Lyon will be launched as a direct result of President Nicolas Sarkozy's plan to get universities and business schools to work more closely together. This has been engineered by setting up centres or poles of research in higher education, les pôles de recherche d'enseignement supérieur. Insead is participating in the pole that brings together Paris II (law), Paris IV (humanities and classical studies) and Paris VI (science and medicine), while EMLyon is working with its local institutions.

The masters level law degree will be taught under the leadership of Paris 2, the Sorbonne law school.

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**Soapbox**

By Xavier Vives

The financial crisis and associated downturn in economic activity has led to a rethinking of the role of law in business.

Action has been taken, with unprecedented reforms in interest rates - still maintained - bail-outs of banks and other sectors, and large co-coordinated fiscal stimuli, followed by a public debt pile.

The boundaries of the public and private spheres are being redefined. The fiscal crisis has imposed drastic cuts in the public budget to meet deficit targets, and governments are having to consider how to respond.

The measures mean that if governments are to provide the same level of services, efficiencies must be found to do the same with less money, otherwise external financing will be cut. The public sector is being pulled more closely into the private sector.

The private sector is being forced to come to the rescue. Public-private partnerships have been the model in the past. They are able to make services more efficient in service provision in sectors as varied as education, health and the environment.

The key idea is that once the private sector has set the objective of what the public sector is to do, the private sector may be best suited to implement them in the most efficient way.

Obviously, private sector involvement needs appropriate regulation to make sure that the public objectives are followed. And the efficiency considerations, a financing mechanism and a regulation must be added, one that is not new but in becoming present in the present context of the fiscal crisis.

The increased joint ventures of the public and the private sectors will need managers who understand the workings of public institutions.

The revolving door of managers between the public and the private sectors may help, but its extent is quite limited in many European countries.

Business schools seem to be well positioned to lead the way in producing managers who can understand and work with the public sector. However, the lack of a cultural transformation and new learning.

They need to transform a culture that has viewed everything coming from the public sphere with suspicion. Public intervention imposes constraints on business but also leads to opportunities - such as green energy. Business schools also need to teach how to align the private and the social interests.

Not all business practitioners will be keen since the private sector will be considered to be an alien force from the social point of view.

Schools should develop a new thinking, integrating lessons from market and regulatory failures in their new perspective of the economy to be effective. By adapting these teaching practices and fostering research at the cross-road of the public and private spheres, business schools will find themselves working for the benefit of society and transferring this new learning to the private sector.

Xavier Vives is director of the Public-Private Research Centre at Insead and editor of *Public-Private Partnerships: Conquering the EU Fifty Years on from the Treaty of Rome* (Oxford University Press 2009).

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